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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/862,466	05/23/2001	Mark Landesmann	084561-0106	7474

22428 7590 08/24/2005
FOLEY AND LARDNER
SUITE 500
3000 K STREET NW
WASHINGTON, DC 20007

EXAMINER

CHAMPAGNE, DONALD

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 08/24/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/862,466

Applicant(s)

LANDESMANN, MARK

Examiner

Donald L. Champagne

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 May 2003.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-122 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-122 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 23 May 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f). → see p. 2 of this Office action.
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 9-28-01, 1-28-02 & 6-22-03
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Priority

1. Applicant has not complied with one or more conditions for receiving the benefit of an earlier filing date under 35 U.S.C. 120 as follows: An application in which the benefits of an earlier application (09758239 in this case) are desired must contain a specific reference to the prior application(s) in the first sentence(s) of the specification or in an application data sheet by identifying the prior application by application number (37 CFR 1.78(a)(2) and (a)(5)). **If the prior application is a non-provisional application, the specific reference must also include the relationship** (i.e., continuation, divisional, or continuation-in-part) between the applications except when the reference is to a prior application of a CPA assigned the same application number.
2. It is acknowledged that applicant filed a request for foreign priority on 22 August 2001. That request has not been fully considered because the examiner does not have full access to the application file as of this writing.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.
4. Claims 1-122 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. **The claimed invention is not within the technological arts - i.e., no computer implementation or any other technology is employed.** See para. 19 below.
5. As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer

an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

6. Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).
7. This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

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8. The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. The Board of Patent Appeals and Interferences (BPAI) have recently acknowledged this dichotomy in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (Bd. Pat. App. & Int. 2001).

Claim Rejections - 35 USC § 112

9. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

10. Claims 20, 55-61, 81 and 116-122 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

At claims 20 and 81, there is no antecedent basis for "the (component for) obtaining a threshold".

At the last line of claims 55 and 116, "using that intent to discontinue information" is indefinite.

Claim Rejections - 35 USC § 102 and 35 USC § 103

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

12. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

13. Claims 1-20, 22, 23, 27-34, 38-40, 47, 52-54, 62-81, 83, 84, 88-95, 99-101, 108 and 113-115 are rejected under 35 U.S.C. 102(e) as being anticipated by Walker et al. (US 20040039639A1).

14. Walker et al. teaches (independent claims 1, 7, 62 and 68) a method and system for incenting submission of purchase information for a goods or service, and for providing at least one benefit to buyer entities with a serious intent to purchase a good or service, the method for providing at least one benefit comprising the steps of: receiving from a buyer entity a declaration of intent to purchase a good or service (*a potential buyer provides a central server a description of an item he intends to purchase*); providing to the buyer entity an offer of benefits whose value is partly or fully contingent on receipt of proof of said purchase within as predetermined period of time (*Either the potential buyer or the central server specifies a time period in which the item is to be purchased. In exchange for the information provided, the potential buyer is offered a reward, such as a gift or a discount.*); receiving said proof

of purchase from the buyer entity and providing the value of said contingent benefits to the buyer entity (para. [0010]).

15. Walker et al. does not explicitly teach that the value of the offer of benefits is not contingent on fulfillment of the requirement that the purchase be made from one particular predetermined manufacturer. However, under the principles of inherency (MPEP § 2112.02), since the reference invention necessarily performs the method claimed, the method claimed is considered to be anticipated by the reference invention. As evidence tending to show inherency, it is noted, first, that the reference does not teach this negative limitation. Second, the reference does teach manufacturers in the plural: *The value of the reward may be based upon the amount and specificity of the information provided by the potential buyer, and/or the value of this information to sellers, such as manufacturers, retailers and distributors* (para. [0010]).

16. Walker et al. also teaches at the citations given above claims 2 and 63, 8 and 69, 11 and 72, and 20 and 81.

17. Walker et al. also teaches: claims 3, 15, 16, 19, 29, 30, 64, 76, 77, 80, 90 and 91 (para. [0067]); claims 4, 14, 22, 32, 33, 65, 75, 83, 93 and 94 [0053]; claims 5, 12, 66 and 73 [0029]; claims 6, 39, 40, 67, 100 and 101 [0070]; claims 9, 10, 13, 23, 34, 70, 71, 74, 84 and 95 [0024]; claims 17, 18, 27, 28, 31, 38, 78, 79, 88, 89, 92 and 99 [0056]; claims 47 and 109 [0030]; claims 52, 53, 113 and 114 ([0025] and sections cited above); and claims 54 and 115 [0041].

18. Note on interpretation of claim terms Unless a term is given a “clear definition” in the specification (MPEP § 2111.01), the examiner is obligated to give claims their broadest reasonable interpretation, in light of the specification, and consistent with the interpretation that those skilled in the art would reach (MPEP § 2111). An inventor may define specific terms used to describe invention, but must do so “with reasonable clarity, deliberateness, and precision” (MPEP § 2111.01.III). A “clear definition” must establish the metes and bounds of the terms. A clear definition must unambiguously establish what is and what is not included. A clear definition is indicated by a section labeled definitions, or by the use of phrases such as “by xxx we mean”; “xxx is defined as”; or “xxx includes, ... but does not include ...”.

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19. The instant application contains no such clear definitions for many key claim terms. For example, "system" and "component" without further qualification from the specification must be interpreted very broadly, which leads to the rejection above under 35 U.S.C. 101 for claims 62-122. Applicant can overcome this rejection by adding a technology limitation from the specification (i.e., a computer at at least one place in the body of each claim).
20. As further examples: Any analysis of the intent rating, such as that given in reference para. [0056], reads on obtaining and comparing the "threshold" serious intent rating (claim 17). Also, the intent to purchase any amount (including one unit) reads on the intent to purchase "at least a specified volume of a product" (claim 8), since the buyer has inherently specified the amount with their intention.
21. Ownership limitations – Patents are granted for technological distinctions. Differences in ownership are not technological distinctions, and therefore cannot make a claim patentable. Hence no patentable weight could be given to "a third party" and a "third party source". Formally, differences in ownership are not statutory matter (MPEP 2106.IV.B.2(b) at p. 2100-15 to -18 revised May 2004).
22. Claims 21, 24-26, 35-37, 41-46, 48-51, 55-61, 82, 85-87, 96-98, 102-107, 109-112 and 116-122 are rejected under 35 U.S.C. 103(a) as being obvious over Walker et al. (US 20040039639A1).
23. Walker et al. does not teach (claims 21 and 82) charging the advertiser that provides benefits commensurate with the serious intent rating. Because the advertiser is the sponsor and Walker et al. teaches [0025] that rating is a measure of the value to the sponsor, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add to the teachings of Walker et al. that the advertiser be charged commensurate with the serious intent rating.
24. Walker et al. does not teach (claims 24-26 and 85-87) basing the rating on the actual/declared number of purchases/amount spent. Because all are obvious and mathematically related measures of intent, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add to the teachings of Walker et al. that the rating be based on the actual/declared number of purchases/amount spent.

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25. Walker et al. does not teach (claims 35-37, 41, 42, 96-98, 102 and 103) cookies. Because cookies are well-known means for efficiently storing user-marketing data, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add cookies to the teachings of Walker et al.
26. Walker et al. does not teach (claims 43-46 and 104-107) providing a benefit only if a presented ad/video is watched. Because ads are a common means of measuring intent (by watching for a click-through), and there is no point to rewarding a user that does not exhibit positive intent, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add to the teachings of Walker et al. that a benefit be provided only if a presented ad/video is watched.
27. Walker et al. does not teach (claims 48-51 and 109-112) using the methods of panel research to determine the rating. Because panel research is a well-known means for marketing research, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add to the teachings of Walker et al. that the methods of panel research be used to determine the rating.
28. Walker et al. does not teach (claims 55-61 and 116-122) using the intent to discontinue a purchase to determine a benefit to be offered. Because product substitutions can be beneficial to the sponsor and read on the intent to discontinue a purchase, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add to the teachings of Walker et al. using the intent to discontinue a purchase to determine a benefit to be offered.

Conclusion

29. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Donald L Champagne whose telephone number is 571-272-6717. The examiner can normally be reached from 6:30 AM to 5 PM ET, Monday to Thursday. The examiner can also be contacted by e-mail at donald.champagne@uspto.gov, and *informal* fax communications (i.e., communications not to be made of record) may be sent directly to the examiner at 571-273-6717.

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30. The examiner's supervisor, Eric Stamber can be reached on 571-272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.
31. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).
32. **ABANDONMENT** – If examiner cannot by telephone verify applicant's intent to continue prosecution, the application is subject to abandonment six months after mailing of the last Office action. The agent, attorney or applicant point of contact is responsible for assuring that the Office has their telephone number. Agents and attorneys may verify their registration information including telephone number at the Office's web site, www.uspto.gov. At the top of the home page, click on Site Index. Then click on Agent & Attorney Roster in the alphabetic list, and search for your registration by your name or number.

DONALD L. CHAMPAGNE
PRIMARY EXAMINER

Donald L. Champagne
Primary Examiner
Art Unit 3622

20 August 2005